



600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

February 20, 2019

The Honorable Tammy Baney, Chair
Oregon Transportation Commission
355 Capitol Street, NE MS11
Salem, OR 97301-3871

Dear Chair Baney and the OTC Commission,

We appreciate the work that the Oregon Department of Transportation (ODOT) and the Oregon Transportation Commission (OTC) have taken to the current conversation around value pricing in the Portland metropolitan region. As an active member of the ODOT Value Pricing Committee, we recognize the many challenges and limitations the legislative mandated imposed on the scope and process for evaluating value pricing options. The task of getting to an agreed upon value pricing proposal which federal partners have moved forward on an expedited schedule is a significant accomplishment.

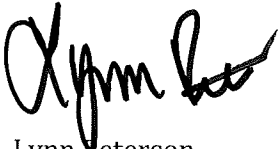
First, we understand that you are going to take a review of existing policies to create a policy framework for congestion pricing. **In the Metro area, the Regional Transportation Plan services as the policy framework for the regional transportation system.** Metro Council and the Joint Policy Advisory Committee (JPACT) unanimously adopted a major update to the RTP in the fall of 2018. The RTP adoptions ensures that all projects, plans and programs that receive federal funding in the Metro area are in compliance with federal law. To that end, attached is a memo that outlines all the relevant policies in the RTP that relate to pricing. We hope these policies will help you advance your conversations with the Federal Highway Administration.

During this next phase of work on Value Pricing, **Metro Council has called for the need of a comprehensive regional study of pricing strategies.** We understand the OTC's interest in conducting an analysis of value pricing on the highway network in Region 1. A more detailed study of pricing strategies in the region will help advance the conversation across the state and help policymaker better understand the different ways that pricing can be implemented in our region and the policy outcomes such a program could affect. Before any additional feasibility or implementation studies are conducted, our region needs to understand the policy impacts of different types of pricing strategies, to consider how those different types of pricing strategies may help us achieve regional and local goals.

The Metro Council has, for over a year, held off on a regional system-wide pricing study to help regional policymakers understand the different types of pricing strategies that could be implemented in our region and the policy impacts of those pricing types. We intend to move forward with that policy and technical study within the next six months, and welcome the opportunity to coordinate with ODOT staff and the OTC as you consider future pricing options.

Thanks again for your leadership on this important issue. We look forward to working with you to provide our region with better tools to help people get around our region safely, affordably, and efficiently.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn Peterson". The signature is fluid and cursive, with a large initial "L" and a stylized "P".

Lynn Peterson
Metro Council President

On behalf of Metro Council

Memo



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Date: Thursday, February 14, 2019
To: Metro Council
From: Grace Cho, Senior Transportation Planner
CC: Elissa Gertler, Director of Planning and Development
Margi Bradway, Deputy Director of Planning and Development
Subject: Overview of Regional Policies Pertaining to Congestion Pricing

Purpose:

To provide Metro Council with an overview of the regional policies pertaining to congestion pricing.

Methodology for Review:

This review took a conservative approach in identifying and summarizing content or policies which implicate the planning or implementation of value or congestion pricing for the policy summary. As a result, content drawn from these regional policy documents are organized under two categories: 1) policies or statement which explicitly address value or congestion pricing; and 2) policies or statements addressing demand or system management. For each statement, the placement within the planning document is identified to facilitate ease of looking up the subject and a short synthesis of the policy is provided.

2018 Regional Transportation Plan

Metro's [Regional Transportation Plan](#) is the foundation for all other regional plans in the Metro region. In fall of 2018 the RTP was updated and unanimously adopted by the Joint Transportation Advisory Committee on Transportation (JPACT) and Metro Council.

Chapter 2: Our Shared Vision for Transportation – Goal 4: Reliability and Efficiency

The transportation system is managed and optimized to ease congestion, and people and businesses are able to safely, reliably and efficiently reach their destinations by a variety of travel options.

- **Objective 4.6 Pricing – Expand the use of pricing strategies to manage vehicle congestion and encourage shared trips and use of transit.**

Synthesis: Goal 4: Reliability and Efficiency, Objective 4.6. Pricing establishes a regional intent to utilize and implement pricing strategies as a means of managing the demand on the existing transportation network while achieving other regional objectives such as increased transit use.

Chapter 3: Transportation System Policies to Achieve Our Vision – Section 3.5 Regional Motor Vehicle Network Vision and Policies – Subsection 3.5.3 Regional Motor Vehicle Network Policies

- **Policy 6 – In combination with increased transit service, consider use of value pricing to manage congestion and raise revenue when one or more lanes are being added to throughways.**

Synthesis: Regional Motor Vehicle Network Policy 6 establishes partners should explore the use of pricing strategies (in conjunction with increased transit service) when looking to expand highways.

- **Policy 12 – Prior to adding new motor vehicle capacity beyond the planned system of motor vehicle through lanes, demonstrate that system and demand management strategies, including access management, transit and freight priority and value pricing, transit service and multimodal connectivity improvements cannot adequately address arterial or throughway deficiencies and bottlenecks.**

Synthesis: Regional Motor Vehicle Network Policy 12 establishes project sponsors must demonstrate the suite of demand/system management strategies have been assessed, including

pricing, before adding new vehicle capacity to the roadway system, and that the analysis will determine whether that transportation need is being met.

Chapter 3: Transportation System Policies to Achieve Our Vision – Section 3.11 Transportation System Management and Operations (TSMO) Vision and Policies – Subsection 3.11.2 Transportation System Management and Operations Policies

- ***Policy 1 – Expand use of pricing strategies to manage travel demand on the transportation system.***

Synthesis: TSMO policy 1 establishes the region should look for opportunities to utilize pricing strategies in order to manage demand on the transportation system. The policy further defines the suite of pricing strategies as involving *“the application of market pricing (through variable tolls, variable priced lanes, area-wide charges or cordon charges) to the use of roadways at different times of day...this strategy manages peak use on limited roadway infrastructure by providing an incentive for drivers to select other modes, routes, destinations or times of day for their travels. Reducing discretionary peak hour travel helps the system operate more efficiently improving mobility and reliability of the transportation system while limiting vehicle miles traveled and congestion-related auto emissions.....”* Based on this policy, a value pricing program implemented in the region should comprehensively look across all the different available pricing strategies and determine the appropriate pricing strategy to execute.

Chapter 8: Moving Forward Together to Achieve Our Vision – Section 8.2.3 Region-wide Planning – Subsection 8.2.3.2 Regional Congestion Pricing Technical Analysis

Synthesis: The RTP implementation chapter establishes and acknowledges further analysis pertaining to value pricing and its implementation in the Portland metropolitan region is necessary to move forward with potential implementation. In identifying the regional congestion pricing technical analysis as a future work program item in the implementation chapter (chapter 8) of the RTP, it prioritizes this future work program item, says that it should be conducted in the near term, and that the region should conduct such a study collectively.

Chapter 8: Moving Forward Together to Achieve Our Vision – Section Region-wide Planning – Subsection 8.2.4 Corridor Refinement Planning

Synthesis: In addition to the Regional Congestion Pricing Technical Analysis, certain mobility corridor refinement studies have identified exploring and considering the use and implementation of value or congestion pricing as part of suite of mobility solutions for the corridor to address existing and future needs.

Appendix L – Federal Performance-Based Planning and Congestion Management Process – Regional Congestion Management Process (Process) – Subsection Overview of Federal Requirements and Regional CMP – Develop Congestion Management Goals, Objectives, and Policies: RTP Mobility Corridor Strategies

- Table 3 – 2018 RTP Congestion Management Process Related Goals and Objectives – Identifies the 2018 RTP objective 4.6 Pricing as a regional CMP goal and objective for the purposes of implementing, monitoring, and measuring the performance of the transportation system.
- Table 5 – Toolbox of Strategies to Address Congestion in the Region – Identifies pricing as the emerging (4 of 7) strategy in the suite-hierarchy of strategies to management congestion and address mobility needs in the region.

Synthesis: The Congestion Management Process (CMP) is a federal requirement for metropolitan planning organizations (MPOs), and guides how a performance-based and outcomes oriented approach is used to identify, measure, and diagnose causes of congestion on the transportation system, evaluate cost-effective strategies to manage congestion, and assess and continually monitor performance of implemented strategies to manage congestion. The regional CMP identifies pricing as part of the toolbox of strategies and one of the preferred tools within that toolbox, further emphasizing that the region will evaluate pricing as a strategy to address diagnosed congestion before exploring other potential strategies for implementation.

Other Regional Plans and Policies

In addition to the RTP, there are several other regional plans and policies that pertain to pricing policies. These include:

- 2014 Climate Smart Strategy
- Regional Framework Plan (last updated in 2011)
- Urban Growth Management Functional Plan (last updated in 2018)
- Regional Transportation Function Plan (last updated September 2012)
- Regional Transportation System Management and Operations (TSMO) Strategy, 2010

Metro staff would be happy to provide further analysis and synthesis of the policies related to congestion pricing in these planning documents.